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STATE FOR ISN/CB, VCI/CCB, L/ACV, IO/S
SECDEF FOR OSD/ISP
JOINT STAFF FOR DD PMA-A FOR WTC
COMMERCE FOR BIS (GOLDMAN)
NSC FOR LEDDY
WINPAC FOR WALTER

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TAGS: [PARM](#) [PREL](#) [CWC](#)

SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP OF
U.S.-CHINA BILATERAL MEETINGS, DECEMBER 11-13, 2006

Classified By: Ambassador Eric M. Javits, U.S. Permanent Representative
to the OPCW. Reasons 1.5 (B) and (D).

This is CWC-113-06.

OVERVIEW

¶1. (SBU) U.S.-China bilateral consultations on implementation of the Chemical Weapons Convention (CWC), held at Chinese initiative, were substantive and detailed. Chinese Ambassador Xue Hanqin, who participated throughout the two full days of discussions, said in an opening statement that these consultations were in line with recent U.S.-China discussions in April 2006 on cooperative relations, including a constructive partnership, strengthening our dialogue, and coordination efforts. The recent APEC meeting reaffirmed U.S.-China relations, pointing to an ever-growing relationship. She stressed that the meetings with the U.S. were the first bilaterals that China has had with any country on this subject. The Chinese delegation included 7 experts from Beijing, in addition to members of their OPCW delegation. At Chinese suggestion, discussions were conducted almost entirely in English. The Chinese made clear that they would like to hold further rounds of consultations in 2007.

¶2. (SBU) Substantive discussions focused on CWC implementation in industry and destruction of abandoned Japanese chemical weapons, with both sides presenting briefings and responding to detailed questions from the other side. The third topic on the agreed agenda - clarification of certain aspects of the Chinese CWC declaration - was limited to a brief U.S. explanation of the background of the questions; the Chinese said that, since they received the questions only ten days earlier, they had not had sufficient time to prepare responses. Chinese indicated, however, that they should be able to provide written responses relatively quickly.

INDUSTRY IMPLEMENTATION

13. (U) Mr. Sun Ruhong, Division Director, Chinese National Authority, presented a brief overview of China's practices and experiences on national implementation of the CWC. In the presentation, he discussed their National Authority structure, legislation, declarations, declarations and inspection statistics, and challenges.

14. (U) Tracey O'Donnell and Larry Denyer of the Commerce Department presented a detailed overview of the entire U.S. process for CWC implementation in industry -- legislation, regulations, declarations, inspection management, electronic declarations, industry outreach, and import/export reconciliations.

15. (U) Given the size of the U.S. industry, the Chinese del inquired about how the Federal government communicates with industry and ensure their compliance. Notably the Chinese national authority does not have direct contacts with companies and facilities, but communicate through provincial (and in a few cases, local) offices. Unfortunately, understanding of the CWC requirements is often very poor at the plant level. Chinese experts inquired about the 7-year gap between U.S. interim-final and final regulations and whether there were requirements during this period. The Chinese delegation also discussed their declaration procedures and their plans for submitting electronic declarations to the OPCW.

16. (U) After the U.S. presentation, the Chinese delegation discussed their recent experience hosting a Schedule 2 inspection involving sampling and analysis. The involvement

of local authorities was important to the success of this inspection. Of note: (1) the inspection equipment arrived at the POE three days before the inspection team; (2) the Technical Secretariat made the arrangements for the shipping of the inspection equipment from the POE to the site; (3) analyses were first made in the "blinded" mode and then the open mode to clarify a discrepancy which the Chinese felt was a result of contamination; (4) the inspection team had some early problems with the analytical equipment which were worked out over 5 or 6 hours through phone conversations with The Hague; and (5) sampling thiodiglycol was difficult because of viscosity caused by cold weather (-15 degrees C). (This problem resulted from sampling from a drum rather than the production line.)

17. (U) On the topic of export controls, the Chinese delegation said that their provisions were put into place via Executive Order, regulations, etc. They further indicated that they maintain a control list of chemicals and unilateral chemical equipment and technology controls, which they feel to be consistent with the Australia Group. The Chinese have also adopted an important "catch all" provision. They also require end-use certificates for all exports of listed chemicals. The Chinese briefly described their export license process, which consists of an inter-ministry group, including Commerce, Foreign Affairs, National Reform Development Commission, and Customs. Sensitive exports are escalated to the State Council for approval. (The Chinese del said it would provide a copy of the text in Chinese.)

18. (U) The Chinese del mentioned that all exports of Scheduled chemicals must be done by only two "designated" companies, with quarterly reporting. Each export requires a license. In response to a U.S. question, the Chinese delegation said they do not carry out pre-license checks or post-shipment verification. However, they require certain language to be included in contracts which states that they have the right to verify the end-user or end-use, although this is not general practice. In response to the U.S. presentation on transfer discrepancies, the Chinese delegation expressed similar problems and concerns.

19. (U) ISN/CB office director Robert Mikulak outlined the

background and issues regarding the ongoing consultations on OCPF site selection for inspection. The Chinese del said they still believe inspections should focus on Scheduled chemicals, while acknowledging the need for OCPF inspection to gain confidence and to serve as a deterrent. They said that the three factors outlined in the treaty should be given equal weight in defining the selection methodology. Chen Kai, division director in the Department of Arms Control at the MFA, stated that in early discussions on beginning OCPF inspections, there was an understanding that OCPF inspections would be focused on States Parties that do not declare Scheduled chemicals. They feel that risk needs to be assessed in determining which sites to inspect. They also said that the facilitator's proposal for a new site selection methodology has its own merit because it takes into account recommendations from States Parties. However, the current methodology adequately addresses equitable geographic distribution.

JAPANESE ABANDONED CHEMICAL WEAPONS IN CHINA

¶10. (U) The second day of bilateral discussions focused on the destruction of old and abandoned chemical weapons. Department of Defense experts, led by Dale Ormond (Deputy Assistant to the Secretary of the Army for Elimination of Chemical Weapons), participated. The Chinese opened with a detailed presentation by Mr. Bai Xiaobo of the Chinese Ministry of Defense, who outlined current plans for the recovery and disposal of abandoned chemical weapons at more than ninety sites in China. Copies of the slides (Chinese) and speaker notes (English) will be forwarded separately.

Mr. Ormond then presented an overview of the U.S. chemical demilitarization program, focused on recovery and destruction of "non-stockpile" items as the subject of primary interest to the Chinese. China also provided a written list of questions (provided SEPTEL for formal response), focused on four general topics: hazard assessment and evaluation, personnel safety, medical support, and U.S. experience in recovery (ground and water) of munitions.

¶11. (U) The Chinese presentation was consistent with details the Japanese have provided during previous sessions of the Executive Council. Construction of a fixed destruction facility is planned for the Harbaling site, where several hundred thousand items remain to be destroyed. Munitions are categorized as "red" (agents DA and DC, phosgene) or "yellow," (mustard, lewisite) distinguishing between shells/projectiles, and fused munitions, the latter of the two clearly being considerably more dangerous to recover and destroy. Yellow munitions will undergo thermal detonation; the agent will be destroyed in the primary combustion chamber and the shell fragments treated in a metal parts furnace. Red munitions will be separated from their explosive components; the shells will then be processed identically to the yellow munitions while the explosive charges will undergo treatment in a rotary kiln. Construction will require 2.5 years with an additional 2.5 years to complete the destruction at this site.

¶12. (U) At the remaining sites, the Chinese and Japanese intend to employ a mobile (perhaps more accurately described as transportable) system, which will evidently require considerably more infrastructure, either locally or as part of the deployable system, than the U.S. mobile systems. Two systems are under consideration, one employing controlled explosion (rapidly moveable, for small quantities) and one heat detonation (considerably more complex, for larger quantities), both of which would have to be redesigned by the manufacturer to reduce weight to make them transportable. The Chinese noted they have recommended purchasing one of each system to explore which might be more effective, but that the Japanese have resisted due to what they consider to be excessive cost. The two sides are also discussing a "consolidation plan," likely centered on the eighteen temporary storage sites currently in use, as it is clearly

unrealistic to send one or two transportable systems to all excavation sites.

¶13. (U) During the question and answer session, Mr. Ormond provided general answers to many of the questions, avoiding several specific facility design and specification questions. Additional questions also focused on worker safety, risk assessment, and standards employed by the U.S. in operation of its own facilities. Ormond discussed safety at length, but did not elaborate on U.S.-specific standards, and noted that safety standards had to be developed with the particular site and operations in mind, and should protect the workers, community and environment without being unnecessarily costly in terms of productivity or facility design. Notably, the Chinese inquired what legislation exists in the U.S. regarding transportation of chemical weapons.

¶14. (U) Mr. Bai also provided a brief overview of work the Abandoned Chemical Weapons Office, a departmental level bureau of the MFA, has carried out so far. The office has overseen the recovery of ACW in more than sixty locations in fourteen provinces, although roughly thirty additional sites still require initial Japanese evaluation. Recovered rounds are stored in seven "trust" warehouses, and eleven additional, temporary storage facilities. Bai confirmed that the Chinese have assigned local security to these sites. At Harbaling the basic design of the excavation and recovery facilities has been completed, as well as a feasibility study. The destruction facility is nearing completion of the design phase. Bilateral expert groups meet monthly to discuss destruction technology, and less frequently to discuss excavation and recovery, environmental protection, and emergency response.

¶15. (U) At the close of the ACW session, Chinese representatives noted that China and Japan lack the mature chemical demilitarization technology the U.S. possesses, and that China is "willing to enhance" discussions with the U.S. to draw upon this experience. Mr. Ormond inquired as to whether China envisioned any specific U.S. involvement in the recovery and destruction of Japanese ACW. In response, Chinese Ambassador Hanqin asked whether the U.S. would be prepared to help, and how. Ormond replied that while the U.S. does have valuable expertise in the safe destruction of recovered CW, this is ultimately a bilateral process between China and Japan.

¶16. (U) Comment: DOD experts later evaluated Chinese estimation of excavation and destruction throughput was completely unrealistic, especially given the state of deterioration of many of the recovered munitions. In assessing the overall tone and specificity of the Chinese questions, DOD representatives were struck by the number of detailed questions concerning safety standards and risk assessment, and believe the intent of such questions may be to establish an unreasonable/impractical set of standards to which they will force the Japanese to adhere during facility design and operation. Ormond's office has received mixed signals from the Japanese MFA and other Japanese officials as to whether or not the Government of Japan is interested in U.S. participation in or assistance with ACW recovery and destruction. Having a clear message from Japan would be of particular importance to the U.S. in light of discussions with China.

CLARIFICATION OF THE CHINESE CWC DECLARATION

¶17. (C) The Chinese informed the U.S. del toward the end of the demil discussions that they did not have responses ready to the U.S. questions provided to them on December 1. They added that when the U.S. questions were delivered their experts were already leaving for the annual meeting of CWC member states that began on December 5. As a result, discussion of this agenda item was considerably briefer than expected.

¶18. (C) U.S. del stressed the importance of resolving the questions and explained the background of each section to ensure that the Chinese had no uncertainty about the specific information that the U.S. is seeking. The Chinese confirmed that the questions were clear and undertook to provide written answers as soon as possible. They noted that in many cases the questions followed up on responses provided to earlier U.S. questions.

¶19. (C) In response to a U.S. question about declaration of chemical agent to Albania, the Chinese confirmed that the information is contained in their declaration to the OPCW and expressed puzzlement at the U.S. request that they authorize the OPCW Technical Secretariat to release the relevant page to the U.S. The Chinese agreed that the U.S. should certainly receive the page in question, but noted that the TS had released the other pages to the U.S. and had no authority to withhold the one remaining page. (U.S. del will ask the TS to provide the page in question.)

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¶20. (C) With regard to a U.S. question concerning apparently undeclared production of a nitrogen mustard chemical as an intermediate in pharmaceutical production, the Chinese initially expressed doubt about the accuracy of the Chinese journal article cited by the U.S. They asserted that production of such chemicals is very strictly controlled and could not take place without permission. After some discussion, however, they said that they would investigate and provide a response to the U.S. question. (Chinese MFA official Chen Kai, who led the Chinese expert team, noted

privately that this question might be the most time-consuming since it would involve identifying the facility involved and establishing contact with it through the provincial national authority.)

¶21. (C) Based on previous statements from the Chinese regarding interactions among Central and Provincial governments and specific facilities, several other questions were asked.

Q: (Regarding the city/facility mentioned in a journal article provided by the U.S.) Within what province the facility was located?

A: Jiangsu Province, near Shanghai

Q: How will China contact the company - Central or Provincial government?

A: Internal coordination will be required. Possibly will send a team of experts from the Central government to work with the Provincial government, or the local government may make contact alone.

Q: If the report is determined to be true, how would China identify other such plants in China?

A: Based on the recent decision by the OPCW on captive use of Schedule 1 chemicals, the plants will be declared. (Note: There was no other elaboration on this point as to how exactly China would determine what other facilities have processes involving captive-use of Schedule-1 chemicals)

¶22. (SBU) U.S. experts raised an additional question on past destruction of abandoned chemical weapons in China, based on a working paper presented at the Conference on Disarmament on 18 February 1992. The Chinese paper was titled "Some Information on Discovered Chemical Weapons Abandoned in China by a Foreign State" (CD/1127, Working paper by the Chinese Delegation to the Conference on Disarmament which is available in open-source at <http://www.nti.org/db/china/engdocs/cd0292.htm>.) In this paper, China stated that more than 20 tons of ACW had been destroyed in China. U.S. experts asked questions regarding when and where this work was performed, what process was used, how many people and what organizations were involved, and how and where the demilitarized agents and munitions were

disposed of.

¶23. (C) Mr. Yu Zhiyong of the MFA Office for the Disposal of Japanese ACWs in China, who is also a former OPCW inspector, was able to provide some information, but was unable to provide complete answers. He said that further information would be provided in writing.

¶24. (C) Yu stated that there were many locations and sites where the decontamination was performed, and he cannot name all the locations, but at least one was at Harbaling where the Japanese ACW destruction site is currently being constructed. Yu said that after World War II, there were frequent injuries from ACW, especially in Northeastern China. The local government at the time, The NorthEast Peoples Government, was very concerned with the matter. The time-frame was 1951 to 1953. The NE Peoples Government formed the Dunhua County Toxic Shells Committee, and this committee selected a site for burial of the ACW. The first location was the location of the current Pit #1 at the ACW destruction site in China. The pit was 25 meters long, 12.5 meters wide, and 10 meters deep. The pit was filled with ACW. From 1955 to 1958, another pit was dug - currently Pit #2 at the ACW destruction site in China - that was 20 meters long, 10 meters wide and 8 meters deep. This pit was also filled with ACW.

¶25. (C) Based on this history, China was asked if, when the paper stated that more than 20 tons had been destroyed, did China mean was that more than 20 tons had been buried. Alternatively, was the burial of ACW separate from stated destruction? Yu was not able to answer the question, but said he would follow-up.

¶26. (C) The Chinese were asked if any of the ACWs that had been recovered thus far were not of Japanese origin (e.g., have they found any shells that originated from other countries). Lu stated that he knew of no ACW of non-Japanese origin, but conventional rounds of US and Russian origin had been discovered. These conventional rounds are sent to local security for destruction.

¶27. (C) Comment: Del will make clear to the Chinese OPCW reps the U.S. unhappiness at the lack of advance warning that China would not be ready to provide responses to the U.S. questions. Knowing that a few days earlier would have allowed the U.S. to avoid the unnecessary expense and trouble of bringing experts to the Netherlands for a discussion for which China was not ready and that therefore did not take place. Del will also stress again the importance of receiving prompt Chinese responses.

¶28. (U) Javits sends.
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